

Table of Contents	i
Abbreviations and Acronyms	v
Introduction	vii
Overview and Goals of the Climate Leaders Program	vii
Overview of Climate Leaders Greenhouse Gas Inventory Protocol	viii
Relationship to the WRI/WBCSD GHG Protocol.....	viii
Changes	ix
Additions	x
Chapter 1: GHG Accounting and Reporting Principles	1
Relevance	1
Completeness.....	2
Consistency.....	3
Transparency.....	3
Accuracy	4
Chapter 2: Business Goals and Inventory Design	5
Chapter 3: Setting Organizational Boundaries	6
Equity Share Approach.....	6
Control Approach.....	8
Financial Control	8
Operational Control	8
Leased Assets, Outsourcing, and Franchises.....	9
Using Equity Approach or Financial Control	9
Using Operational Control.....	9
Consolidation at Multiple Levels.....	10
State-Ownership	10
Double Counting	10
Contracts That Cover GHG Emissions.....	10
Using the Equity Share or Control Approach.....	11

Chapter 4: Setting Operational Boundaries	15
Emissions Categorization.....	15
Core Emissions Reporting	16
Core Emissions Reporting - Direct Emissions	16
Core Emissions Reporting - Indirect Emissions	17
Optional Emissions Reporting	20
Double Counting	22
Chapter 5: Tracking Emissions Over Time	23
Choosing a Base Year.....	23
Recalculating Base Year Emissions	23
Timing of Recalculations for Structural Changes	24
Recalculations for Changes in Calculation Methodology or Improvements in Data Accuracy.....	24
No Base Year Emissions Recalculations for Facilities that Did Not Exist in the Base Year ...	25
No Recalculation for "Outsourcing/Insourcing" if Reported Under Core Indirect and/or Optional Emissions.....	25
No Recalculation for Organic Growth or Decline	25
Chapter 6: Identifying and Calculating GHG Emissions	30
Identify GHG Emissions Sources.....	30
Select an Emissions Calculation Approach.....	30
Collect Activity Data and Choose Emissions Factors	31
Apply Quantification Methodology to Estimate GHG Emissions	32
Structure of Guidance Documents	32
CO ₂ -equivalent and Global Warming Potential	34
Chapter 7: Managing Inventory Quality	36
An Inventory Program Framework.....	36
Implementing an Inventory Management Plan.....	37
Practical Measures for Implementation.....	39
Inventory Quality and Inventory Uncertainty	41
Chapter 8: Tracking Progress Towards the GHG Reduction Goal.....	44
Overview	44
Corporate-Wide GHG Emissions.....	44
Offsets	44
Accounting for Emissions from Electricity/Steam Sales	45

Chapter 9: Reporting GHG Emissions	46
GHG Inventory Reporting Requirements Overview	46
Reporting Requirements and Technical Assistance.....	46
GHG Accounting Methods and Systems - Inventory Management Plan	48
Annual GHG Inventory Summary and Goal Tracking Form.....	48
Review Process	48
Third-Party Verification	50
Technical Assistance to Complete Base Year Reporting.....	52
Ongoing Technical Assistance	52
Corporate Data Management Approaches.....	53
Roll-Up GHG Emissions Data to Corporate Level	53
Centralized Approach: Individual Facilities Report Activity/Fuel Use Data	53
Decentralized Approach: Individual Facilities Calculate GHG Emissions Data	53
Chapter 10: Verification of GHG Emissions	55
Internal Assurance	55
The Concept of Materiality	55
Selecting a Verifier.....	56
Preparing for GHG Verification	57
IMP Checklist.....	57
Chapter 11: Guidance on Setting a GHG Reduction Goal	58
Goal Evaluation Considerations.....	58
Goal Evaluation Methodology	58
Defining Projected Sector Benchmarks for GHG Emissions Performance.....	59
Choosing a Key Performance Indicator for Normalized Goals.....	59
Reporting and Goal Tracking.....	59
Absolute and Intensity Targets	60
Identifying GHG Reduction Opportunities.....	61

Appendices

1 GHG Emissions Sources by Sector	64
2 Unit Conversions.....	68
3 IMP Checklist.....	71
4 Annual GHG Inventory Summary and Goal Tracking Form.....	77

Glossary of Terms..... **81****Tables**

3-1 Financial Accounting Categories.....	7
3-2 Holland Industries Organizational Structure and GHG Emissions Accounting.....	14
4-1 Relationship of Climate Leaders to GHG Protocol Reporting Scope Terminology	16
5-1 Basic Rules for Base Year Emissions Recalculations	26
6-1 Example Data Collection Roadmap.....	31
6-2 Overview of GHG Guidance Documents Currently Available Through Climate Leaders.....	33
6-3 Gas Atmospheric Lifetime GWP	34
7-1 Fundamentals of Inventory Development	37
7-2 Generic Quality Management Measures	38
11-1 Comparison of Absolute and Intensity Targets	60
11-2 Steps in Setting and Tracking Performance Toward a GHG Target	63

Figures

3-1 Defining the Organizational Boundary of Holland Industries.....	13
4-1 Emissions Reporting From the Purchase and Subsequent Use or Sale of Electricity.....	18
4-2 GHG Accounting from the Sale and Purchase of Electricity.....	19
5-1 Base Year Emissions Recalculation for an Acquisition.....	27
5-2 Base Year Emissions Recalculation for a Divestment	28
5-3 Acquisition of a Facility That Came Into Existence After the Base Year Was Set	29
9-1 Reporting Requirements Flow	47
9-2 Sample Onsite IMP Review Schedule.....	51
11-1 Opportunities for GHG Reduction	61